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BOB ALDRICH
Acting Executive Officer

August 11, 2004

TO: Local Agency Formation Commission

FROM: Executive Officer
Project Manager

SUBJECT: Proposed "Sunflower/Fairview Annexation to the Costa Mesa Sanitary District" (DA 03-08)

APPLICANT

Costa Mesa Sanitary District, by resolution initiating proceedings.

PROPOSAL

The application requests the Commission to consider the annexation of approximately 103.53 acres of uninhabited territory to the Costa Mesa Sanitary District. The annexation will facilitate the extension of retail sewer services by the Costa Mesa Sanitary District to various existing and proposed commercial, industrial, and residential uses located in the City of Costa Mesa, including a single story office building, IKEA Home Furnishing Store, Emulex Corporation headquarters campus, and a 143-home proposed development.

LOCATION

The proposed annexation is generally bound by Harbor Boulevard to the west, Fairview Road to the east, Sunflower Avenue to the north, and the 405 Freeway to the south. (Please refer to Exhibit "A" for a vicinity map.)

LAND USE

The subject territory is designated by the City's General Plan as Commercial Center, Industrial Park, and Medium Density Residential. The territory is zoned by the City as Planned Development Commercial, Planned Development Industrial, and Planned Development Residential.

ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act (CEQA), the City of Costa Mesa, as lead agency, prepared and certified the Home Ranch Final Program Environmental Impact Report on March 19, 2002. The Commission, as a responsible agency, may review and consider these documents in its consideration of the proposed annexation. The City's certifying resolution and the executive summary from EIR No. 1048 is attached to this report as Exhibit "B" for reference and review by the Commission. The full EIR is available in the LAFCO office for Commission review.

PROPERTY TAX

No property tax exchange will occur as a result of this proposal pursuant to the Master Property Tax Agreement adopted by the Board of Supervisors for enterprise special district reorganization proposals.

RECOMMENDATIONS

Staff recommends that the Commission:

1. Make findings pursuant to State CEQA Guidelines Sections 15096(g)(2) and 15096(h), that the Commission has considered EIR No. 1048 prepared by the City of Costa Mesa for the Home Ranch project, and that it did not find any feasible alternative or feasible mitigation measures within its powers that would substantially lessen or avoid any significant effect the project would have on the environment, and that it has considered findings made by the City of Costa Mesa for EIR No. 1048 pursuant Sections 15091 and 15093, incorporated herein by this reference and adopted by the Commission as though fully set forth herein.
2. Adopt the form of resolution approving the "Sunflower/Fairview Annexation to the Costa Mesa Sanitary District" (DA 03-08) subject to the following terms and conditions:
 - a. Payment of County Clerk-Recorder and State Board of Equalization fees.
 - b. The applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.
 - c. The effective date shall be the date of recordation.

Respectfully submitted,

BOB ALDRICH

CAROLYN THOMAS

Exhibits: A. Vicinity Map
 B. Environmental Documents: